

**COMMONWEALTH OF MASSACHUSETTS  
DEPARTMENT OF TELECOMMUNICATIONS AND ENERGY**

**RE: INCREASING THE PENETRATION RATE  
FOR DISCOUNTED ELECTRIC, GAS AND  
TELEPHONE SERVICE**

**DTE 01-106**

**REPLY COMMENTS OF THE MASSACHUSETTS COMMUNITY ACTION PROGRAM  
DIRECTORS ASSOCIATION AND  
THE MASSACHUSETTS ENERGY DIRECTORS ASSOCIATION  
March 7, 2002**

**I. INTRODUCTION**

In accordance with the Hearing Officer's Memorandum of February 14, 2002, the Massachusetts Community Action Program Directors Association and Massachusetts Energy Directors Association (collectively, "MASSCAP/MEDA") offer these reply comments. There are several consistent points made by many of the commenters. This consistency suggests that the Department should be able to make substantial progress towards its goal of increasing the penetration rate of utility discounts among eligible low-income households. MASSCAP/MEDA is happy to participate in further discussions or proceedings to implement new approaches that appear likely to increase penetration of the discount rates. MASSCAP/MEDA respectfully suggests that the Department should convene an informal working group that can work through the details of implementing any new outreach, verification or enrollment methods.

## II. ELECTRONIC ENROLLMENT AND PRIVACY CONCERNS

Several commenters, in addition to MASSCAP/MEDA itself, pointed out the important role that fuel assistance agencies play in helping to enroll people quickly and efficiently onto the discount rates. The local fuel assistance agencies all provide lists of eligible fuel assistance households, usually electronically, to their local utilities. These households are then enrolled on the discount rate, without filling out additional forms or gathering further documentation. The local fuel assistance agencies, working with their local utility companies, are the only agencies that currently provide this mechanism for immediate, electronic enrollment of eligible households. Berkshire Gas attributes much of its success at increasing enrollment in its discount program “to coordination with groups such as LEAN.”<sup>1</sup>

Comments, at 2. Berkshire adds:

Berkshire has agreed to provide these low-income agencies with special access to portions of its database in order to ensure that customers eligible for special programs . . . receive such benefits as quickly as possible. . . . The Company is also implementing a computer match program that is intended to ensure that all customers eligible for fuel assistance are enrolled in discount rates.

Comments, at 2-3. See also Comments of Keyspan, at 3 (“The most common way that our customers are placed on Keyspan’s discount rate is through a matching program that Keyspan has with the LIHEAP”); Comments of Massachusetts Electric/Nantucket Electric (collectively, “MECo”), Exh. 1, at 8 (showing that 43,044 of the 71,009 MECO customers on the discount rate were identified solely through LIHEAP agencies and another 8,124 customers were identified through a combination of

---

<sup>1</sup> “LEAN” is the Low-Income Energy Affordability Network. Its members include non-profit agencies that deliver energy efficiency services to eligible low-income households in Massachusetts. In many areas, those same agencies also administer the fuel assistance program formally known as the “Low-Income Home Energy Assistance Program,” or “LIHEAP.”

LIHEAP and another program); Comments of Verizon, at 7 (“Applicants qualifying for Lifeline and/or Link-Up based on fuel assistance benefits are ‘pre-verified’” by the local LIHEAP agencies”); Comments of the Attorney General (“AG”), at 3.

Further, several parties, including MASSCAP/MEDA, agree that the model provided by the LIHEAP agencies is one that should be expanded in order to reach the Department’s goal of increasing enrollment through computer matching (Order to Open Investigation, at 6). As the AG noted, “[t]he LIHEAP model is the most effective enrollment method in use.” Comments, at 8-9. Further, as the AG notes, “[t]he LIHEAP model seems to have adequately addressed privacy concerns” (Comments, at 9) because LIHEAP applicants give the local agencies explicit permission to share their personal information with utilities for the purpose of getting onto any available discount rates (Comments, at 7). The Division of Energy Resources (“DOER”) also points out the value of obtaining a “universal waiver” from applicants. Comments, at 13. MASSCAP/MEDA is willing to work with the Department, the utility companies, the AG, DOER and other parties to explore ways in which it could facilitate electronic enrollment of a broader range of eligible households.

Some parties, however, are reluctant to participate in the type of electronic enrollment model that LIHEAP provides, due to privacy concerns. For example, the Department of Public Health (“DPH”) in its comments about the Women, Infants and Children (“WIC”) Nutrition Program noted its concern about protecting “the confidentiality of its applicants and participants;” its inability “to collect or disclose social security numbers;” and various provisions of law that restrict its ability to share information. As MASSCAP/MEDA noted in its initial comments, the LIHEAP model demonstrates how privacy concerns can be avoided by obtaining the permission of applicants at the point of

application. The challenge and opportunity of the present proceeding is to engage agencies like DPH, the Department of Transitional Assistance, the Division of Medical Assistance and others and to share techniques that will protect client privacy while providing discounted utility rates to more clients. DPH itself has shared the useful information that NSTAR has agreed not to require social security numbers from WIC recipients who apply for NSTAR's discounts. Comments of DPH, attached MOU, §V.C. DPH also provides a useful model for an extremely simple verification form for benefits recipients who are not electronically enrolled. DPH Comments, Attachment B.

The Department of Transitional Assistance ("DTA") has provided some very useful comments about its important joint outreach efforts with utility companies. Through computer matching methods, DTA and the utilities are able to identify new recipients of DTA assistance by utility territory. A third-party mailing house then generates letters to these families that describe the discount rates, with application materials enclosed. This is no doubt a very valuable outreach tool and has resulted in many households applying for discounts. However, MASSCAP/MEDA believes that a far greater number of DTA recipients would get on the discount rates if DTA took the more direct approach used by LIHEAP. That is, if DTA could obtain the permission of its benefits recipients to share information directly with utilities, there is little doubt that the number of DTA-recipient households on the discount rates would increase significantly.<sup>2</sup> MASSCAP/MEDA is sensitive to the fact that direct, electronic

---

<sup>2</sup> MECo's statistics show that 43,044 customers on the discount rate were identified solely through LIHEAP, while only 4,773 were identified through "public assistance." MECo Comments, Exh. 1, at 8. Since the number of households on LIHEAP (about 134,000, FY 2001) is not much larger than the number of households getting food stamps (about 120,000, see [www.state.ma.us/dta/dtatoday/facts/index.htm](http://www.state.ma.us/dta/dtatoday/facts/index.htm)), this demonstrates the advantages of electronically enrolling households on various forms of public assistance, as opposed to using the government benefit

enrollment may impose some programming and administrative costs on DTA and believes that these concerns would be best addressed in a working group that the Department could convene.<sup>3</sup>

### **III. OTHER ISSUES**

#### **A. Outreach**

MASSCAP/MEDA agrees with the comments of the Cape Light Compact/Barnstable County Human Services (“Compact”) regarding the importance of using community-based outreach methods, particularly in areas of the state where the utility companies may not have easily-accessible offices. MASSCAP/MEDA hopes that the Department will consider the Compact’s proposal to operate a pilot outreach program on the Cape.

MASSCAP/MEDA also supports the suggestion of the AG that each company should maintain a separate web page linked to its home page that describes the discount rate in “plain, simple, clear and concise language.” Comments, at 4. Some companies already do this very well, but others do not. MASSCAP/MEDA also supports the AG’s emphasis on community-based outreach through houses of worship, social service agencies and other community organizations. This is especially important in reaching the elderly, disabled, and those who do not speak English as their primary language.

---

agency’s electronic database as a tool for sending outreach letters.

<sup>3</sup> The AG proposes an interesting automatic enrollment technique of putting all “customers who submit a completed financial hardship form to the utility . . . on the discount rate.” Comments, at 9.

## **B. Identifying More Than One Public Benefits Program/Purging/Decertification**

Verizon notes that its application “enables a customer to identify each of the public assistance programs from which the customer receives benefits.” Comments, at 6. MASSCAP/MEDA thinks that this can be very beneficial to applicants. As MASSCAP/MEDA noted in its initial comments, many discount customers, especially those on electric and gas discounts, are purged on a regular basis because the company knows that the applicable benefits program has terminated for the year (in the case of LIHEAP, once summer arrives) or because the utility determines that the customer is no longer receiving a particular public benefit<sup>4</sup>. However, many families receive multiple forms of public assistance, some indefinitely.<sup>5</sup> It would therefore help discount customers if they could identify more than one form of public assistance that they receive because this would reduce the number of households who are inappropriately purged. This would also reduce the number of continuously income-eligible customers who still are unable to remain on the discount year-round, due to being purged and only re-enrolled at a much later date.<sup>6</sup>

MASSCAP/MEDA notes that Verizon “credits the applicable discount to the customer’s account **back to the date that Verizon MA received the application.**” Verizon Comments, at 7 (emphasis added); also see AG Comments, at 6, n. 4 (proposing retroactivity) and 9 (proposing that

---

<sup>4</sup> For example, many households that receive TAFDC (Transitional Assistance for Families with Dependent Children) are terminated under the time limit rules in that program.

<sup>5</sup> For example, many individuals who receive SSI are on the program for the rest of their lives, once determined eligible.

<sup>6</sup> See MASSCAP/MEDA’s initial Comments, at 22-23 for a discussion of the purging problem.

applicants be placed on the discount presumptively, pending documentation). This simple approach avoids penalizing the applicant from any delays in processing the application that are not due to the fault of the applicant, including difficulty in getting a government agency to document that the applicant is income-eligible or the time the utility requires to process the application.<sup>7</sup>

### **C. Making All Fuel Assistance Households Eligible for the Discounts**

In its initial Comments, at 16-18, MASSCAP/MEDA urged the Department to make all LIHEAP households eligible for the discounts. MASSCAP/MEDA simply notes here that Fitchburg Gas & Electric appears to agree, noting that “[t]here certainly would be sufficient policy justification in matching the R[esidential] D[iscount] R[ate] with those individuals that have a demonstrated need for fuel assistance.” Comments, at 7.

## **IV. CONCLUSION**

MASSCAP/MEDA hopes that the Department will adopt rulings, procedures and/or guidelines consistent with these comments. MASSCAP/MEDA also would welcome the opportunity to participate in a Department-facilitated working group to implement any of the proposals offered in these comments.

---

<sup>7</sup> Note that MASSCAP/MEDA proposed retroactive application of the discount as a solution to the problem that delays can cause for applicants. Comments, at 21.

Respectfully submitted,  
MASSACHUSETTS COMMUNITY ACTION PROGRAM  
DIRECTORS ASSOCIATION

MASSACHUSETTS ENERGY DIRECTORS  
ASSOCIATION

By:

Charles Harak, Esq.  
John Howat  
National Consumer Law Center  
77 Summer Street, 10<sup>th</sup> floor  
Boston, MA 02110  
617 542-8010 (voice)  
617 542-8028 (fax)  
Charak@nclc.org  
Jhowat@nclc.org

Jerrold Oppenheim, Esq.  
57 Middle Street  
Gloucester, MA 01930  
978 283-0897 (voice)  
jerroldopp@tgic.net